

NEC ACTION REPORT

National Economic Council, Inc., 7501 Empire State Bldg., New York 1, N. Y.

No. 13

PALMER'S U.S. TOUR ENDS; TO RETURN IN OCTOBER

ATTACKS SHOW NEC CHIEF TARGET OF U. S. LEFTISTS

Briton, Stricken, on Way to Recovery

Cecil Palmer, distinguished Briton brought to U. S. early this year by NEC, has returned to England following serious illness here, but is recuperating and expects to begin a new American tour in October.

During nearly the whole of his trip, it can now be revealed, Palmer was suffering from penicillin poisoning, and many of his great addresses were delivered while his body was throbbing with pain. Finally, on May 20 a representative of the Council flew to Pittsburgh, found the stout-hearted Briton so ill that, although he was willing to go on, continuance of the tour would have risked his life. He was thereupon flown back to New York and hospitalized.

Prior to the abrupt ending of his trip, Palmer had spoken on May 17 before the Wisconsin Manufacturers Association in Milwaukee, and the Kiwanis Club of Pittsburgh on May 19. In each place he was accorded an enthusiastic ovation.

On June 2, Palmer left the hospital temporarily to speak to the Pennsylvania Manufacturers Association in the Union League of Philadelphia, and on June 5 he spoke in Atlantic City before the Conference of Presidents and Other Officers of the State Medical Associations. On June 14 the College of South Jersey conferred upon him the honorary degree of Doctor of Laws.

Cecil Palmer will return to the U. S. in mid-October, for a longer visit of seven and a half months. Already requests are pouring in for him, both from cities at which he spoke this spring and from places where he was unable to appear. Those desiring to secure him should address NEC Speakers Bureau, 7501 Empire State Bldg., New York 1, N. Y., as soon as possible.

NEC CONTINUES WASHINGTON FIGHT

Opposes Socialist Bills, Backs 'Kem Amendment'

Through late Spring and into the record torrid Summer of 1949, NEC has continued to oppose collectivist legislation and encourage measures aimed to help the hard-pressed U. S. taxpayer.

On May 18, Dr. H. M. Griffith, Vice-President, appeared before the special subcommittee of the House Committee on Agriculture on the farm program, vigorously attacking the "Brannan Plan." He assailed farm subsidies as "nothing better than economic quackery and political fakery," charging that "in the long run they injure the farmer, impoverish the non-agricultural population and vitiate the entire economy." Latest advances indicate the "Brannan Plan" is dead, at least for this session.

To the House Committee on Education and Labor, on June 10, NEC said on Federal Aid to Education: "Nowhere in the Constitution is the Federal Govt. granted the power to engage in, or subsidize, general education." It charged the proposal would lead to the "Welfare State."

NEC also appeared on May 25 before the House Committee on Foreign and Interstate Commerce against the bills for "Socialized" Medicine. Said Dr. Griffith: "It is clear that the basic purpose . . . is not to raise the national standard of health. . . . The real design is to make us take a long and costly stride into State Socialism. . . . It is better to be a free man than a superbly healthy slave."

Opposition to FEPC legislation was expressed by NEC to House Committee

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Communist Links Seen In 'Winchell,' Pearson Smear Campaigns

That NEC's effectiveness has caused U. S. leftist forces to rate it their No. 1 enemy is seen by observers as incapable meaning of smears directed against it since first of year by "Walter Winchell," Drew Pearson, Robert S. Allen, Friends of Democracy, the Anti-Defamation League of B'nai B'rith, and others.

Even more interesting than the smears themselves (mostly "old stuff," in typical Communist idiom) is fact that at least two definite Communist links came to light to make faces of smearers double-red.

"Winchell"

The man who calls himself "Walter Winchell," in May and June attacked NEC twice in his syndicated column, and once in his Sunday night broadcast. The May assault was directed against Cecil Palmer as well as NEC and called its President a "fascist." (Typical of all Commie gibes against opponents, as American public is beginning to understand.) The broadcast purported to "expose" a "secret" meeting which was to have been held "to start another America First outfit" in late June, and which "Winchell" gave himself credit for having stopped.

Fact is, that meeting, while not publicized, was not "secret," either, but was one of a number of consultations engaged in by likeminded people from time to time. Nor was it to organize another "America First outfit," although there must be merit in any idea so alarming to "Winchell." Fact, further, is that meeting was scheduled so close to July 4th week-end that it was judged advisable to hold it later, probably in late September or early October.

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ATTACKS—(Concl.)

Communist Link

That "Winchell's" hatred of Communism might need to be taken with large doses of salt appeared when it was discovered by readers of the Communist-smear-sheet *In Fact* that that periodical had obtained from Winchell the whole story he had promised to make available to editors who had "guts to name their names." Commie-stooge George Selde had the "guts" and printed a scare story in *In Fact* based mostly on alleged "secrecy" of meeting and Commie versions of careers of invitees.

Beside the deep-red *In Fact*, only other U. S. paper to join in "Winchell's" hue and cry was the (perhaps) slightly less red *New York Post*.

Robert Allen

"Bob" Allen, who snarls throatily at the world on Sunday nights just before the Kaiser-Frazer horns blow for "Winchell," came all out against NEC and Cecil Palmer on the night of July 3. Chief crime in this case was fact that a few days before, Senator Albert Hawkes and Palmer had paid a courtesy call upon President Truman. This sinister event caused Allen to "expose" NEC and its modest sponsorship arrangements with Palmer. NEC he called "a reactionary lobbying organization that fought the New Deal and is now fighting the Fair Deal." The broadcast was studded with words like "reactionary," "ultra-reactionary," "propagandist," and of course the good old stock word "anti-Semite."

Just what interest listeners were thought to have in financial arrangements between NEC and Palmer was unclear. But what was very clear was ire of Allen that an Englishman opposed to Socialism might be permitted to talk to the President about conditions there. Since the interview was "off the record" it cannot be reported here. But to help commentator Allen to another mighty scoop, we can tell him authoritatively that Palmer did not say, "Mr. President, British Socialism is a howling success."

Drew Pearson

Andrew Russell Pearson, former partner of "Bob" Allen, called a "chronic liar" by Franklin D. Roosevelt and something even more pungent by Harry Truman, is no novice at smearing NEC. His latest attack, in his column of July 17, repeated the complaint about the

Truman-Palmer interview and twice linked the word "fascist" with NEC President Hart. He also gleefully reported that the Commonwealth Club of San Francisco, the Cincinnati Chamber of Commerce and the Union League of Chicago "cancelled speeches by Palmer—after they investigated."

Fact is, that Palmer never was scheduled to speak to San Francisco's Commonwealth Club, and that the Chicago engagement had to be called off by NEC only because Palmer became so ill he had to be flown from Pittsburgh to a New York hospital much to the dissatisfaction of this Chicago club. Pearson, however, was one-third accurate: the Cincinnati engagement was broken—but under outside pressure, not as a result of any "investigation." If Pearson were to tell whole truth, he would admit that similar pressure was attempted in many, many other instances, and that for dozens of failures his kind of people can point to but one success. Americans don't take to censorship by smear groups.

Another Red Link

The trenchant Westbrook Pegler has recently been throwing revealing light on the career of Pearson, including his long association with the notorious David Katz, alias Karr. Of the latter, Pearson's "leg man," Pegler says: "Karr has been associated with Communists for years. He was on the staff of the Daily Worker, and he wrote for other Communist publications. During the war he dug in as chief of the foreign language section of the Office of Facts and Figures, later the Office of War Information, although he later admitted under oath that he could neither read nor write any foreign language." (We are reliably informed, however, that Katz is fluent in Yiddish, which perhaps he does not consider a "foreign language.")

Friends of Democracy

"Friends of Democracy," which recently got back its lost tax-exemption after a long fight with the Treasury Dept., and perhaps the most effective smear organization on the American scene, has stepped up its attacks on NEC in last few months. L. M. Birkhead, adroit at so sprinkling his *Democracy's Battle* with words like "fascist" and "anti-Semite" as to come just short of libel, in his June 15 issue gave a column to "Notes on Hart." He

charged that in being against ECA and the Atlantic Pact, Hart indicates that "it is democracy, not Communism, he primarily seeks to defeat."

ADL

The Anti-Defamation League of "B'Nai B'Rith," whose idea seems to be that it is all right for itself to smear anybody it pleases but not all right for anyone ever to suggest that any Jew might at some time have done or said anything open to criticism, early in the year issued a smear book called *How Secure These Rights?* by Ruth G. Weintraub—being ADL's "report on anti-Semitism in 1948." Drearly using all the old clichés, it brands NEC as anti-Semitic principally because of NEC opposition to political Zionism. NEC cheerfully admits being against political Zionism simply because it believes in one allegiance, and thinks Zionists should make up their minds where their one loyalty lies. As to the label "Anti-Semitic," NEC suggests that ADL offer a million dollar prize for a new word. The old one has gone threadbare.

WASHINGTON—(Concl.)

on Education and Labor on June 3. Contending that FEPC bills were Communist in origin and wrong and harmful in principle, statement warned that "Minorities which seek to gain social benefits by placing their destiny in the hands of Government . . . sign their own ultimate death-warrants."

Kem Amendment

Efforts of NEC in support of Kem amendment to ECA appropriation bill, withholding moneys from countries which in future "nationalize" basic industries, resulted in flood of messages to Senators. While Kem amendment was ultimately defeated, the 24 votes cast for it in Senate are widely regarded as warning that U. S. sentiment against continued support of Socialism abroad is growing. NEC feels that fight was immensely worth while, and warmly thanks those readers who sent messages to legislators. *Watch for same fight in House, and write your congressman to support such an amendment.*

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